(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The strategies formulated for the Public Enterprises under the Department of Heavy Industry include:

(i) Permitting BHEL, which has potential to become a global giant, to access the investment fund out of the disinvestment proceeds, to enable it to offer internationally competitive financial and credit packages;

(ii) Formation of Joint Ventures for one or more of their units in order to enhance the competitiveness and viability of the enterprises by infusion of technology, modern management techniques and marketing strength; and

(iii) Creation of a Revolving Fund from out of 10% of the disinvestment proceeds for infusion of funds in accordance with approved rehabilitation schemes to facilitate quick implementation of turn-around plans.

Decline in industrial growth rate

208. SHRI PREM CHAND GUPTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that our industrial growth rate has dropped from 12% in 1995 to 7.5% in 1996; and

(b) if so, the reasons for this drop?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) As per the quick index of industrial production, the overall industrial growth rate recorded in April-Oct, 1996-97 was 9.8% as compared to growth rate of 11.7% recorded in the corresponding period of last year. The deceleration in industrial growth has been due to underperformance in mainly crude petroleum, fertilisers and power sector.

Single Window Clearance for FIPB approved projects

209. SHRI RAMDAS AGARWAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether there is a proposal to open a single "Window" for the speedy clearance of projects approved by FIPB with a view to help foreign promoters for time bound clearances, as reported in the Hindustan Times, dated the January 29, 1997;

(b) if so, the details thereof; and

(c) whether Government propose to show some transparency in their approval proceduers as Industry Ministry's policy to keep the discretionary powers for project approval route may act as a disincentive to many foreign investors, details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir. An Investment Promotion and Infrastructure Development Cell has been opened in the Department of Industrial Policy & Promotion, with a view to monitoring projects approved by FIPB. The Cell helps the foreign investors in expediting time bound clearances on request.

(c) The Government has already taken a number of measures to introduce transparency in the approval procedures by way of expanding the list of items for automatic approval as well as by notifying guidelines followed by FIPB in clearance of cases.

Parity between SSIs and large industries

210. DR. Y. LAKSHMI PRASAD: Will the Minister of INDUSTRY be pleased to state:

(a) whether attention has been drawn to the item captioned "SSIs demand parity with large units" appearing in the Indian Express, dated 3rd January, 1997;

(b) if so, the reaction of Government to the parity demand of SSIs with large units; and

(c) the action proposed to be taken in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Yes, Sir.

(b) and (c) The parity demanded in the news item is mainly with regard to the availability of cheaper credit as small units now pay guarantee commission charges at the rate of 2.5% over and above the interest rate. According to Reserve Bank of India, guarantee cover is obtained in respect of small units as no security is available. Banks, therefore, safeguard their interest by taking DICGC cover. This also additionally encourages banks to extend loan to SSIs. Besides, demand has been made for providing credit without collateral security. As per Reserve Bank of India guidelines/norms, for loans upto Rs. 25,000 collateral security/third party guarantee should not be taken.

Sell out of MUL

211. SHRI GAYA SINGH:
SHRI GURUDAS DASGUPTA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Mr. Suzuki, CEO of Suzuki Motors has addressed a letter to the Minister insisting that Government should sell Maruti Udyog Limited to him; and

(b) if so, the details and Government's reaction thereto?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) President & CEO of Suzuki Motor Corporation (SMC) has in his letter proposed that "management of Maruti be straightened by listing its shares or by selling the Government's shares to Suzuki or vice-versa".

(b) Government is not considering any change now in the existing equity structure of MUL or disinvestment of its shares in favour of SMC.

Incentives for setting up of industries in Assam

212. SHRI PARAG CHALIHA: Will the Minister of INDUSTRY be pleased to state:

(a) the details of incentives given to industrialists from outside Assam on their establishing infrastructural and other industries in Assam;

(b) whether Government propose to revise them for the better;

(c) if so, details thereof; and

(d) if not, reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) Industrial development is primarily the responsibility of the State Governments. The Central Government supports and supplements the efforts of the State Government. Industrialists from outside Assam do not get any exclusive incentive.

Disinvestment proceeds for NRF

213. SHRI SANATAN BISI: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Disinvestment Commission has suggested that a part of the disinvestment proceeds should be set aside for the National Renewal Fund; and

(b) if so, the details of the suggestions?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The Disinvestment Commission submitted its first Report to the Govt. on 20.2.97. The Commission has recommended *inter-alia* "the proceeds of disinvestment be placed separately in a Disinvestment Fund (DF) and not be fungible with other government receipts. The National Renewal Fund (NRF) should be marged with this fund."